



A. Federal adjusted gross income from line 37 of Form 1040, or line 21 of Form 1040A,
or line 4 of Form 1040EZ ----- (H) **A** _____

1. Federal taxable income from line 43 of Form 1040, or line 27 of Form 1040A,
or line 6 of Form 1040EZ (*If zero, see page 7 of instructions*) ----- (I) **1** _____

North Dakota additions

2. Interest from state and local government obligations (*except North Dakota*) ----- (J) **2** _____

3. State and local income taxes from Form 1040, Schedule A, line 5 [However, see
instructions if line A above exceeds \$156,400 (\$78,200, if married filing separately)] (L) **3** _____

4. Other (*See instructions*) ----- **4** _____

5. Total additions (*Add lines 2, 3, and 4*) ----- (M) **5** _____

6. Balance (*Add lines 1 and 5*) ----- **6** _____

North Dakota subtractions

7. Interest from U.S. obligations ----- (N) **7** _____

8. Military pay exclusion ----- (O) **8** _____

9. Additional military pay exclusion for overseas duty ----- (2F) **9** _____

10. Military retirement pay exclusion ----- (#) **10** _____

11. Income from a federal civil service pension, a North Dakota city firefighter or
police officer pension, or the North Dakota highway patrol pension fund ----- (Q) **11** _____

12. Interest income from sale of land to a qualifying beginning farmer ----- (2H) **12** _____

13. Rental income from leasing of land to a qualifying beginning farmer ----- (2I) **13** _____

14. Gain from sale of land to a qualifying beginning farmer ----- (2J) **14** _____

15. Interest income from North Dakota financial institutions ----- (2K) **15** _____

16. Rental income from leasing a business to a qualifying beginning entrepreneur ----- (2M) **16** _____

17. Medical expenses not allowed due to 7.5% of adjusted gross income limitation
(*Enter smaller of line 1 or line 3, Sch. A, Form 1040*) ----- (R) **17** _____

18. Additional exemption: If your **Filing Status** (at top of Form ND-2) is Married
filing jointly, Head of household, or Qualifying widow(er), enter \$300 ----- **18** _____

19. Other (*See instructions*) (*Attach supporting statement*) ----- (T) **19** _____

20. Total subtractions (*Add lines 7 through 19*) ----- (U) **20** _____

21. Balance (*Subtract line 20 from line 6*) ----- **21** _____

22. Federal income tax - see instructions for amount to enter on this line ----- (V) **22** _____

23. Adjusted gross income from line A at top of page ----- (W) **23** _____

24. If an entry was made on lines 7 through 16, or line 19, see
the instructions for the amount to enter on this line.
Otherwise, enter amount from line 22 on line 27,
and go to line 28 ----- (X) **24** _____

25. Subtract line 24 from line 23 ----- **25** _____

26. North Dakota income ratio (*Divide line 25 by line 23 and round to nearest four
decimal places. If line 25 equals line 23, enter 1.0000*) ----- **26** _____

27. Federal income tax deduction (*Multiply line 22 by line 26*) ----- (Y) **27** _____

28. North Dakota taxable income (*Subtract line 27 from line 21*) Enter here and on Form ND-2, Tax Computation
Schedule, line 1 ----- **28** _____